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Department of Agricultural Economics and Rural Sociology

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and

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# REPORT ON RURAL SOCIOLOGY

## Departmental Review

Everett M. Rogers

### Present Status

It is only appropriate to initiate a future-oriented report with a brief summary of the present status of Rural Sociology at The Ohio State University. The main theme which characterizes our present status is one of rapid growth and optimistic development.

With the recent addition of Saad Nagi and John Mitchell to our staff, the present faculty in Rural Sociology now numbers nine. The number of research assistants in Rural Sociology is now five--which is also a new high. Graduate students will number 12 when Fall Term commences and there will be about 14 undergrads majoring in Rural Sociology.

There are now eight active research projects in Rural Sociology with a budget of approximately 33 thousand dollars in 1957-58. Compared to any point in the past 20 years of Rural Sociology history at Ohio State, we have more research monies today than ever before (with the possible exception of last year, 1956-57). Growth in research activities is illustrated by comparison with the Department budget in Rural Sociology of eight years ago--which was exactly 50 dollars.

While five different staff members engage in some teaching, about 1.5 faculty spaces are currently assigned to teaching duties in Rural Sociology. Last year, about 300 students were enrolled in our seven course offerings (the majority were in Rural Sociology 405, our introductory course).

Two staff members are currently engaged in Extension activities as Extension specialists and another is Extension Leader in Research.

## Research

While Rural Sociology at the Ohio State University can scarcely be viewed in less than an optimistic glow, there are problems. Some of these difficulties presently limit our efficiency; others promise to hamstring our efforts in the near future.

This section of our report is organized in terms of a brief description of major problems, followed by recommendations which we feel will help to overcome these impediments to progress. First, our emphasis shall be centered upon research.

One of our pressing problems has been that we lack adequate research monies. Rural Sociology now receives less than one-eighth of the total Department research budget (Table 1). A breakdown on the basis of source of research funds sheds further light on our situation. Table 2 indicates that a greater portion of our research projects are based on outside grant funds.

Only crude estimates of the relative importance of institutional vs. outside grant funds in Rural Sociology are available. These "guesstimates" would indicate that only about one-third of the total research resources in Rural Sociology come from Experiment Station or University funds. And only about 4 percent of the Department's total institutional funds find their way into Rural Sociology. This means that out of every 25 dollars from Experiment Station and University sources in the Department, about one dollar goes to Rural Sociology.

We are not necessarily suggesting that higher percentage of total institutional funds go to Rural Sociology. Perhaps other research areas in our Department are 25 times as important as Rural Sociology. Only research administrators can decide this.

Table 1. 1957-58 Research Resources by Research Area (Estimated)

Research Area	Estimated Funds	Percentage of Total
Farm Management	\$ 45 Thousand	16.5%
Marketing	\$145 Thousand	53.1%
General	<u>\$ 50 Thousand</u>	<u>18.4%</u>
Agricultural Economics	\$240 Thousand	88%
Rural Sociology	<u>\$ 33 Thousand</u>	<u>12%</u>
Department Total	\$273 Thousand	100%

Table 2. 1957-58 Research Projects by Source of Funds (Estimated)

Research Area	Number of Research Projects	
	"Institutional" Funds*	Outside Grant Funds**
Farm Management	9	0
Marketing	22	2
General	<u>11</u>	<u>2</u>
Agricultural Economics	42	4
Rural Sociology	<u>4</u>	<u>4</u>
Department Total	46	8

\*From University or Experiment Station.

\*\*From such sources as: Ohio Heart Association, Ohio Farm Bureau Federation, U.S.D.A. Agricultural Marketing Service, Cleveland Milk Producer's Federation, Producers' Livestock Association, and Ohio Dairy Council.

We do suggest that there are several sleeping dangers inherent in basing two-thirds of a research program on grant monies. We could relate the skills involved in "bootlegging" real sociological significance into studies designed primarily to answer a sponsor's "practical" problems. We would maintain that it is dangerous to accept funds from some sources; that integrity may be lost in the scramble for loose dollars. We wish to emphasize the insecurity of a research program based mainly on grant funds.

### Recommendations

#### Research

1. That a better balance be secured between institutional and grant resources in Rural Sociology.
2. That a research center be established at the University, College or Departmental level to accept, administer, and recruit research grants from "outside" sponsors.
3. That future research efforts in Rural Sociology be concentrated on three major areas:
  - a. Problems of the aged, ill, and retiring farm population.
  - b. Social science aspects of outdoor recreation.
  - c. Agency problems in reaching their "hard-to-reach" constituents.

Our Extension specialists in Rural Sociology are currently concerned with keeping Extension personnel attune to the impact of social changes upon rural people. A "cultural lag" may be observed occasionally when complex organizations (such as Extension Services) adjust to sudden changes. An example is the reluctance of some county Extension personnel to tackle problems of other than a "technical agriculture" nature. Extension personnel need training in community organization, leadership techniques, and

agricultural communication. Our research studies of county agents here in Ohio indicate that most Extension personnel realize these deficiencies in their preparation.

#### Extension

1. An Extension program be developed on the topic of aged farm people (the average farm operator in Ohio is now over 53; he was 40 in 1910),
2. Extension efforts in Rural Sociology (jointly with Agricultural Economics) be directed at the social aspects of vertical integration.
3. Future changes and trends in agriculture and rural life be emphasized.
4. Extension workers receive more adequate preparatory and in-service training in Rural Sociology.

#### Teaching

Our recommendations in the area of resident teaching are as follows:

1. Our new course in agricultural communications be proposed again next year.
2. More graduate seminars be offered in Rural Sociology (presently one per year is taught).
3. More emphasis be placed on training future college teachers in Rural Sociology.

#### Other Problems

Two other recommendations are of a "precedural" nature and do not fit neatly into the research--extension--teaching trichotomy. One has to do with the need for a Rural Sociology Research Bullsession. When our staff was small, co-ordination was achieved on an informal and direct basis. Now, however, our staff has grown in size and old methods of achieving intra-

Rural Sociology co-ordination are no longer efficacious. As a result we are proposing a series of "bullsessions" for staff and students in Rural Sociology on a once-a-month basis which we will try out during Fall Term. At each session, a thesis prospectus or a new research topic will be presented and discussed.

Our other procedural recommendation has to do with interdisciplinary efforts. We feel strongly that economists and sociologists can work together more closely in our Department than they have in the past. A perusal of the "What We Do" listing indicates no joint sociologic-economic research efforts at the present time.

Perhaps one reason for this lack of interdisciplinary efforts lies in the ethnocentrism built up in graduate training. A strong point can certainly be made for Rural Sociology minors for Agricultural Economics majors and vice versa. Of the approximately 20 graduate degrees granted in this Department last year, only one or two received training in both of our two sister fields.

The human relations problems involved in joint interdisciplinary research are difficult; and are now themselves being exposed to an interdisciplinary analysis here at Ohio State. Past experience shows that much interdisciplinary planning often turns out to be simply "multi-disciplinary" research--with each discipline going its own separate research path while mouthing vague phrases about "better co-ordination," etc.

One staff member in our session yesterday reported on the experience of a joint sociologic-economic-medical research team at Purdue. The medical researchers were impressed with the findings of the economists and also of the sociologists. The economists and sociologists exhibited a reciprocal respect for the accomplishments of the medics. But at the same time, the sociologists and the economists were highly critical of each others' work.

So our last recommendation is that we simply "bury the hatchet" and attempt some tentative interdisciplinary ventures in research or in Extension. The results should be satisfying; and the net effect should be a bigger and better Department.



## SUMMARY OF GENERAL AREA SECTIONAL MEETING

Francis B. McCormick

The following questions were selected as those which should be given major consideration in future research activities in the "general" area of our Department.

### Credit and Financial Management - Future Considerations

1. How do you create interest in an Extension program concerned with farm credit and financial management?

(May have to tie it to farm management and marketing problems and work through lending institutions or work through related organizations such as feed and supply dealers).

2. What are implications of vertical integration and contract farming to financing agriculture?

(Source of credit may shift from local rural bank to city bank).

3. Is our farm land over valued? Should we change our system of farm accounting to give a more realistic capitalized value of farm land?

4. Are our agricultural credit institutions out of date?

5. How should agriculture be financed in the future? Would it be possible to finance it on a stock basis through corporate farming? Must there be perpetual refinancing?

6. How do we incorporate in farming? Do we need research in this area?

7. What are possibilities for a "package plan" for financing agriculture? Why not one institution to take care of short-term, intermediate and long-term credit needs?

### Land Economics - Future Considerations

1. Should taxation of land be based on actual, current use or on market value?
2. What is "just compensation" when private lands are taken for public uses? (Including compensation for a "partial taking" of property rights in land as well as a "partial taking" of a physical quantity of land).
3. What changes in land uses and value patterns are created by development of highways?
  - a. On limited access roads--patterns around interchanges as compared with in-between areas.
  - b. On free access highways.
4. Land tenure problems include:
  - a. Problems of adjusting lease terms and devising new contractual forms to meet the needs of a rapidly changing agriculture.
  - b. Use of the corporate form of organization for farm ownership and operation.
  - c. Use of land contracts for land acquisition.
  - d. Transfer of ownership and/or use rights between generations of farmers.
5. The water problem as related to agriculture and all other water uses of an expanding population.
  - a. Water supply.
  - b. Drainage.
6. How should work in this area be organized and who in the Department should do it.

### Agricultural Policy - Future Considerations

1. Determination of the exact nature of the problem--particularly in marginal areas, low-income farms, etc.
2. Estimation of supply and demand 15, 20 and even 40 years from now.
3. Development and appraisal of programs which enable agriculture to make the transition most easily.
4. Development of better tools for agricultural policy research.
5. Cost of the use of long-run versus short-run type of programs.
6. What will happen to total agricultural supply if new commodities are found?
7. What changes will occur in labor (and land, capital and management) if we go to some means other than price to reduce production on farms.

#### Agricultural Prices - Future Considerations

1. Need is felt for continuation, renewal and development of research in fundamental price activity such as price and production cycles.
2. Compilation of needed statistical material should be continued. Department staff should direct the type of data needed and means of acquiring it, but the work itself should not be a burden of the staff.
3. Price-outlook research is needed.
4. Some work might well be done to help in determining prices to set for different commodities when firm is multiple producer and division of cost between products is difficult.
5. More price analysis work is needed if we are to continue to have price support programs.

### Marketing Information for Consumers - Future Considerations

1. Conduct research on present level of knowledge of food buying habits.
2. What is best way of disseminating information?
3. Need advisory committee in this area.
4. Need more full-time personnel in state.
5. Need more training in Extension personnel in this field.
6. Need more coordination between Department, MIC workers, etc.

### General - Future Considerations

1. Forecasting - We need to develop methodology in the area of forecasting trends.
2. Agricultural Statistics - We need to develop methodology in the assembly and distribution of state statistics.
3. Foreign Agricultural Development - We need courses and seminars in this area.
4. Agricultural Business Management - We need consolidated effort in research, teaching and extension. We need a curriculum in this area.
5. Agricultural Administration - With the assumption we will always have some Government in agriculture we need research to determine the probable results of alternate programs. (What in place of coops, the Extension Service, College of Agriculture, etc.).

A REPORT FROM THE FARM MANAGEMENT SECTION TO THE  
GENERAL CONFERENCE OF THE DEPARTMENT OF  
AGRICULTURAL ECONOMICS AND  
RURAL SOCIOLOGY

J. Robert Tompkin

In our section's pre-conference meetings we explored the present work and the expected future work in Farm Management, necessary to remain abreast of emerging problems. We studied this from the standpoint of (1) research, (2) extension, (3) teaching and special programs. The following report represents the majority opinion of the entire Farm Management section. Our present endeavor in research falls into these categories: (1) basic or primary research in which we have currently 7 projects, (2) adjustments and organization studies with 4 projects, (3) work in the fields of low income, policy, credit, and land use, each of which has 3 projects currently active, and (4) other miscellaneous areas of research embodying 5 projects.

Our suggested adjustment in Farm Management research is as follows:  
Basic research--We realize that the collection of basic data is necessary to all other research, and that changing technology makes this increasingly important. This area, however, takes so much time that we are unable to perform as much work in other areas as we would wish. Several alternatives have been suggested.

1. More careful coordination of research among those land grant colleges with similar problems and situations, as a means of eliminating a duplication of efforts.
2. Reliance on regional projects to supply needed coefficients. This would pre-suppose careful designing and an assurance of continuing regional funds.
3. An overall master project designed to provide most of the basic data needed, within the mechanism of one set of facilities,

interviews, analyses, etc. A carefully planned system of farm account records might well permit fuller utilization of facilities, and at the same time make possible a substitution of less expensive clerical labor for much of the researcher's time.

4. Careful designing and editing of project forms to eliminate wasted effort spent on non-usable data.
5. Concentration of research on a "most desirable" level rather than on an average level of efficiency coefficients in those situations where mean values are of little importance.

We believe vertical integration in farming to be more than a passing fad. The group realizes the possibility that if farming is made up entirely of a series of vertical chains, certain values may be lost to the economy. It is suggested that research be initiated to study such aspects as:

1. Methods of integration, including contract farming
2. Costs and returns
3. Resource allocation and income distribution
4. Social gains and losses
5. Alternatives to vertical integration such as incorporation, capital policies, and risk and removal policies.

A functional approach involving other disciplines, particularly marketing, sociology, and credit appears to be the only feasible approach to this type of research.

With continued government intervention and with the perpetuation of federal farm policies, aggregation economics will become more and more important. The increasing availability of electronic equipment will further encourage this type of research. In this area are such problems as:

1. Supply response function studies

- a. This work is still in the methodology development stage.  
We feel that there are sufficient numbers of researchers working on this. When methodology is developed, we can apply it.

2. Adjustment studies

- a. We feel we have sufficient projects in this area at present.

3. Low income studies

- a. We think that we should continue our present micro-activity in this field, with conclusions being used in subsequent aggregative analyses.

4. Land use aggregation studies.

5. Basic measurement methodology on presently unquantifiable variables.

- a. We feel that predictive functions in supply response, production response, or adjustment economics cannot be adequately derived without inclusion of such influences as management, risk discount, time discount, personal preferences, etc. At present there is no acceptable method for evaluating these. Our group feels that this would involve primarily a methodology determination, and, while fruitful, should not involve any great outlay of funds.

6. Scale problems

- a. These will become increasingly important in future agriculture and should warrant further investigation.

We propose, with increased time and funds gained through increased efficiency in the procurement of basic data, to increase our research

efforts in the areas mentioned above. We would maintain the balance of our present research program.

The Extension programs in Farm Management presently contains:

1. Farm and Home development work
2. Farm business organization, summarization and analysis
3. Tenure, farm leases, and farm transfers
4. Income tax and insurance management
5. Business and commodity outlook work
6. Educational work in farm credit, working with both borrowers and lenders

The most important problems in the near future seem to fall into the following areas:

1. Expansion necessary in financial management.--This would mean increased use of management records and farm accounts.
2. Tenure education such as will resolve the problem of farm and property transfer from father to son in such a manner as to preserve the continued productive ability of the unit but still protect the retiring owner.
3. Farmer education in elementary principles of farm management and economics. The group feels that farmers are now ready for this type of thing in meetings, that farmers can perform non-farm analysis under direction.
4. An expanded use of community self-help activity in handling certain local problems. An example might be the use of the local bar association in discussing certain legal aspects of local problems.

In dealing with the underlying philosophy of Farm Management Extension programs, this thought found general acceptance; namely, the Farm Management discipline should be the core of Extension farm unit planning, supplemented



by and integrated with, the various production disciplines.

The role of special programs in Farm Management; the group readily recognizes the responsibility of Farm Management personnel in striving for an effective teaching program and in maintaining a proper integration between research and extension. This is clearly achieved through such outlets as cooperation with, and sponsorship of, professional organizations, agency conferences, and Farmer-College functions. In the area of instruction the following specific recommendations were made:

1. An agricultural business curriculum to be maintained
2. A farm business analysis course to be considered for adoption
3. Improvement in the graduate course offerings in statistics
  - a. The group is in general agreement that the present course offerings in statistics do not properly prepare our graduate students.

In the field of special programs we suggest the following:

1. We retain all our present programs.
2. We introduce short courses in appraisal and management.
  - a. These might be alternated annually.

The farm management section recognized and discussed the problem of staff load and funds in carrying out special programs. Alternatives suggested were:

1. More personnel be made available.
2. Payment by registrants for courses.
3. Payment to particular staff for extra load imposed by special programs in much the same manner as prevails in other colleges of the University.

We recognize the advisability of functional approaches to these problems. We advocate inter-disciplinary planning on all research projects

as a means to eliminate duplication, to increase methodology possibilities, to increase profitable output per unit of input, and to obtain answers which cannot be obtained by a uni-discipline effort.

## SUMMARY OF SECTIONAL MARKETING CONFERENCE

M. E. Cravens

The title selected for the conference was, "Where Are We Going In Marketing?"

In his introduction, Ross Milner emphasized the fact that while we must consider the past and present, he hoped that the conference would force attention on the future. He pointed out that marketing extension is in a transition period and needed time to change to methods that would do the best job.

### I. What Is Marketing?

Dr. Williams discussed the subject, "What Is Marketing and Its Goals?"

A. The principal points brought out in his paper were as follows:

1. Perhaps the most significant way of measuring the importance of marketing is the percent it takes of the consumer dollar in agricultural products. For the period 1947-1949, marketing took approximately 50 percent of the consumer dollar.
2. He then went on to define marketing as the creation of utility. In this, it is the same as any form of production, except for the fact that marketing deals primarily with the creation of time, place and ownership utility. The more prosaic definition of marketing is that it is the movement of goods from physical production to consumption, and all of the functions necessary to accomplish this task.

3. He then went on to discuss goals of producers and consumers and pointed out the function of the market in enabling them to attain these goals.
  - a. For the producer, the immediate or intermediate goal is the obtaining of maximum profit. They are concerned with the combination of products to produce to attain this goal.
  - b. For the consumer, the ultimate goal is the maximization of satisfaction. To obtain this, the consumer is assumed to operate in his scale of preferences on an indifference curve basis. Market prices furnish the major variable and are equated by each consumer according to his preference in determining how he may obtain maximum satisfaction.
4. Marketing also acts as a means of rationing goods to consumers with the minimum of inconvenience. Consumers determine how best to use their own limited resources. In marketing, we thus have a means of directing the flow of resources into production and of allowing consumer satisfaction to be at its highest level in distributing these goods to consumers.
5. He next outlined the functions that are usually listed as marketing functions. These include the activities of buying, selling, transportation, risk-bearing, storage, finance, standardization and grading and market information.

#### B. Goals of Marketing

1. The long-run goal of marketing was assumed to be that

of permitting consumers to achieve the maximum satisfaction. This expression was assumed to be expressed through relative prices and expenditures. It was assumed that the consumer should be allowed to attain the highest possible indifference curve in an optimal fashion. To attain this, we must have:

- a. A flexible system which can adjust quickly.
- b. A two-way flow of information which allows consumers to adjust as well as producers.
- c. Coordination of these activities so that the system operates near maximum efficiency.

II. In the discussion of Dr. Williams' paper, the following points were brought out:

- A. Marketing, not production, is the key to our modern industrial society. Without this marketing, we could not have specialization in production. Without specialization in production, individuals, firms, or areas could not most effectively use their resources nor produce much more than in primitive societies. Therefore, since marketing is the means by which we are able to specialize, it is the key factor that distinguishes modern from ancient economies.
- B. There was general agreement with the time, place, and ownership utility definition. There was apparent agreement that in marketing, we should consider the entire complex by which goods are moved between producers and consumers, and also the means by which desires for goods are channeled back from consumer to producer.

- C. While there was general agreement that the maximum satisfaction of consumers was the ultimate goal of our society, the question was raised whether this occurred at the present. Some felt that direction other than that given by the consumer through the market was necessary. Most of the marketing economists present, however, felt that while knowledge was not perfect, the marketing system was constantly adjusting to consumer wishes even though never completely in agreement with them. The marketing firm or the producer who adjusts first or keeps nearest to the wishes of the consumer was shown to reap considerable benefits from this.
- D. It was brought out that programs such as the present farm policy apparently ignore or do not agree with the goals of marketing outlined above. When we ignore the satisfaction of the consumer as our ultimate goal, then the problems of farm policy become unmanageable. In other words, if we are not to aim at the satisfaction of consumers, we must somehow prevent the market from operating freely and suggest other goals. Such goals as helping lower income farmers or all farmers or prosecuting the war, etc., are frequently substituted. If it is assumed that the maximum benefits to the producer comes through the satisfaction of consumers, the problem of producers is complex enough. Actually, there is a constant dilemma, since the greater consumer satisfaction means greater choice, but greater choice makes the system more complex and more costly. The market system then must equate cost with satisfaction and pass this information both ways. This is done mostly through prices although as anyone who is familiar with

retailing knows, there are products in the store that are carried for the satisfaction of consumers at prices that will not pay for the service.

E. Our job as marketing economists is not only to understand and promote means by which goods flow efficiently from producer to consumer but, perhaps more importantly, to understand and teach the necessity of an efficient flow of information from consumer to producer. It is this area which is largely market prices where we frequently use intervention of a nature that misleads producers and consumers.

F. As researchers and teachers, if we accept the goal of maximization of consumer satisfaction as valid, we should check policies and research and extension programs to see if they are consistent with this idea. Frequently, we are inclined to waste time and other resources in trying to change things through marketing that are outside the area of marketing control or to use marketing to do things for which it is not suited. In the long run, unless the consumer is willing to pay more for a product or is willing to pay for what is done, any major marketing scheme to increase returns must fail, even though in the short run, the government can finance the intervention.

III. In his paper, What Forces May Greatly Change Our Type of Research in Extension Marketing? Dr. Sherman gave us the ten commandments on this question. They are:

A. Agricultural marketing is a new field and the development of research techniques offers hope of changed types of research and extension.

- B. The increase in the size of farm and marketing business.

This will mean different problems as specialization increases and management of cooperatives and their members become more familiar with business techniques, etc.

- C. The confidence of various agencies in the research and extension activities will increase.
- D. The attitude of research and extension personnel will no doubt change towards working with all groups and not with farmers alone.
- E. There will be changes in the dissemination of information. Television, etc., will be used more than in the past.
- F. There will be more of a tendency of administrators to question increasing funds in marketing research and extension than has been true during the past few years.
- G. More emphasis will be put on better ways of doing things rather than on studying the past.
- H. Consumers' demand will change. It is important that we recognize and keep abreast of this change.
- I. Better data-gathering and improved statistics in the field of production and marketing.
- J. Less personalized marketing. This is partly due to larger farms, but partly due to the institutions, such as the super-market where less personal contact is possible.

His final comment was that perhaps through better research, we can smooth out some of the rough spots in the marketing channels and allow marketing to more nearly accomplish its goal.

- IV. The question of the type of research suitable for universities and experiment stations was discussed. Should the universities attempt



to compete in the marketing field with commercial firms in short-run research? Should we not perhaps, instead concentrate more on fundamental research that will supplement work which the firms themselves will finance? No agreement was reached on these questions, but generally, it was felt that there must be some balance between the immediately practical and the more distantly practical type of research in the Experiment Stations.

Another question was raised regarding the organization of research. The viewpoint was raised that we should organize research more nearly on the Battelle type of "team" research organization. This would involve the coordination with other Agricultural Economists and with scientists in business organization, sociology, psychology, etc. Especially as research becomes more complex, as in studies of integration, the thought was expressed that this type of organization appeared to have merit. The point was advanced that there still had to be a head or someone who was responsible but that effective use must be made of more than one discipline in the research.

V. What Institution Should We Work With and How Should We Approach Marketing? Don Long gave the paper on this subject and a summary of his main points follows:

- A. Most of our present marketing research and extension is on a commodity basis. Even our work with marketing firms are pretty largely on firms dealing with a particular commodity. He believes that it is desirable that we move away from this approach.

All three approaches, commodity, functional, and firm have much to offer, however. The problem is one of capitalizing on the strengths of each approach and of minimizing the weaknesses inherent in each.

- B. He then makes a very interesting suggestion as to a method of combining the three approaches in the extension marketing specialists. He suggests that each extension specialist be assigned a marketing function, in addition to a commodity specialization. For instance, the grain marketing specialist might also become a specialist in transportation. The dairy marketing specialist might also become a specialist in marketing information. These functional specialists would be expected to become economists with special knowledge in particular areas that would be useful in the job of overall marketing extension.

- VI. A. The point was brought out that regardless of the classification of the specialist or the approach used, the main idea was to get the job done. In other words, the extension specialist works on problems and problem solving and any method that facilitates this is a proper method. There was some disagreement as to the types of functional specialists that we should have and whether there should be a functional specialist in each of buying and selling, or perhaps one on pricing which would cover both buying and selling. The same difficulty was mentioned in connection with other so-called marketing functions.
- B. Also, it was pointed out that the historical approach to marketing extension has considerable advantages to offer. This is particularly true in understanding present marketing institutions.
- C. It is necessary to work in some areas where cooperation is not easy to get. More attention should be paid to determining why cooperation is difficult to obtain in some areas.

- D. Marketing specialists should be well trained in Agricultural Economics. This means that they will be difficult to get and that many will soon leave for better jobs.
- E. Apparently, North Carolina is the only state that has tried the functional setup similar to the one suggested by Dr. Long.
- F. The team approach was mentioned by several and thought to have merit, both in research and extension. It was also mentioned that any agricultural marketing firm has quite a bit in common with the business organization department and often goes to the business organization department for assistance rather than to Agricultural Economics. This strengthens the idea that perhaps joint work between the departments is a desirable thing.

VII. What Basis Should be Used in Deciding the Type of Research to be Undertaken? In Dr. Sharp's paper, which Ross Milner called a paperette, he made the following points:

- A. The basis for selecting research depends first on individual criteria and personal limitations of the researcher.
- B. Social objectives of the institution financing the research, for instance:
  - 1. Maximization of satisfaction of the consumer
  - 2. Extension of the family type firm
  - 3. Increased farm income
- C. Should workers tailor their research towards an industry or for individual firms or groups of firms? He took the stand that any work should be industry-wide in application and that the researcher should direct the work where it would do the most good. The researcher needs to stay clear of obligation to any particular group within the industry.

VIII. In the discussion that followed, the following points were raised:

- A. Should we have a research advisory committee? The feeling here was that an advisory committee could be useful if advisory, but that some experience with it indicates that they tend to become administrative and may take the researcher into areas which he may not think are the most productive.
- B. Another point raised as to whether we should try to please all of society or just the groups that go to the Legislature. The feeling was expressed that in tax supported institutions the researcher must work for the entire society and that as agricultural economists, we should direct the research money into the most important problem areas.
- C. The problem of grants-in-aid for research was raised. In the discussion of this, it was felt that such grants were desirable if they are in the area of research that the economist felt we should be involved.

## DEPARTMENTAL CONFERENCE

### Afternoon Session

"A discussion of problems and policy questions for the Department"  
Source "Questions for Discussion"

Question #1. Increasing efficiency of extension (marketing) personnel.

Cravens - Minnesota gave thirty hours of refresher management courses work to county agents at University. Schwartz - Ohio uses district management schools, but receives little administration support for agent training. Sherman - Intent of question is not to point up present inefficiency; rather to improve present levels. Wertz - Are there no agent-training provisions? Answer (Carpenter and Barr): Some local training sessions are now held. Sherman - With increasing "size of the agricultural training jobs," perhaps need fewer agents; more specialists. Ezzell - Need help in training people in non-farm firms. Will attention to 4-C (cooperation with other departments and staff) help? Answer (Henning): This must be initiated by interested specialists in view of time limitations. Answer (Zehr): This can be done, but job definition (4-d) also necessary.

Question #2. Should printing and publishing costs be included in project budgets?

Tompkin - Dangerous: inclusion would impair project operating budget. Smith - Station has separate printing budget. With exception of regional funds, printing costs are not included in budget. Suggests conferring with administration on possibility of including costs in project. Would reduce project funds because printing budget is specifically appropriated to print shop by legislature. Baumer - We have problem, but problem lies in editorial office. We need to protest at this level. John Mitchell - Solution is more help in printing office. Henning - Suggests diversion of surplus funds (for work station cannot get to) to outside, contract printers as solution. Andrews - We are behind other states in speed of publication, but also in quality and attractiveness. Smith - Perhaps seminar with editors. McCormick - Maybe give new editor a chance.

Question #3. Consolidating project budgets to speed up dissemination of results.

Dimit - This is not the solution: basic problem is researcher fragmentation and lack of time. Dougan - What is situation now? How much could they be speeded up in this way? Smith - Average time is four years. Sherman - Many could be shortened substantially. Sitterley - Fragmentation of time is inefficient. One worker should be able to devote uninterrupted blocks of time to each job. Efficiency and quality would be increased. Smith - We have enough departmental freedom to accomplish some defragmentation. It

requires pre-planning and gearing our schedules of accomplishment to this. Henning - Must remember that assistants' schedules are involved. McCormick and Sitterley - Sources of fragmentation are primarily non-research in origin: fragmentation of function, particularly. Smith - No departmental edict will do the job. Tompkin - Possibility of division of individual responsibility to research one quarter; teaching another, etc. Newberg - Let's demonstrate our ability to speed up results by concentrating staff and turing out a project in three months.

Question #4. Team research; inter-area and inter-department cooperation to give more balance to our research projects.

Sherman - Has possibilities. We have increased the amount done substantially in last five years. Sitterley - Difficult to have other departments follow through the cooperative effort. Smith - Have seen many attempts to do inter-departmental work, but few have been successful. Cravens - A problem is determining just who in other areas is qualified to cooperate. Orcutt - How keep cooperator from "stealing our thunder?"

Question #5. Do we need a research coordinator?

Moore - Doing this is part of the answer to question four. The coordinator of inter-discipline or inter-departmental research must be on a plane above the researcher. This would hold within the department and, through a higher coordinator, between departments. Cravens - Could discourage coordination with this device. Rogers - Usually assumed that departmental chairman is coordinator; question assumes that he needs help. Baumer and Tompkin - This question aimed at projects within the department. Here it has possibilities for increasing efficiency of data collection and (Wertz) tabulation and analysis. Smith - Will accept nominations for job.

Question #6. Outside research reviewers next year?

Henning - If so, he needs to spend at least a week here. Williams - His function should be to review areas, not individual projects. Andrews - Reviewer needed for three or four days for Sociology alone. Sherman - Reviewer must be selected for competency. Smith - A terrific job to review 50 or 60 projects in detail. Nagi - Area or discipline review of projects may be an alternative. This has not been done recently (Smith) and may be a good idea. Oyler - Might Rural Sociology try outside reviewer, with observers from each other discipline sitting in. Williams - Should be review of proposals; not current projects. Smith - Seems to be agreed that the job is too big for entire department; hence needs to be by areas. Wayt and Cravens - Review by areas does not produce desirable cross-area-fertilization. Smith - Consider further; decide at future department meeting.

Question #7. Criteria to be used in deciding on research project proposals?

Sherman and Carpenter - Criteria were set up at last year's conference and are in minutes. Smith - As departmental administrator, what

criteria should be used? Wertz Answer is partly political: "What will voters of Ohio think of our program?" Oyler - Political consideration can partly be solved by wording of projects and questions: the presentation of hot problems in ways that will let them be handled. Tompkin - Earlier group sessions were aimed at formulation of research priorities: this can be used as a guide. Smith - Chairman is still uncertain and must establish priorities partly by ear. More widespread review by department members may be desirable. Tompkin - Administrators are all subject to bias by their own major interests. Sharp - All department members have responsibility of supplying topics for research. Bailey - Departmental research committee may be desirable. Baumer - Committee causes more time demands; more fragmentation.

Question #8. Provision for staff time to write and think.

Smith - Statistical pool, as a means, has in the past been stymied. Sherman - Answer to question is broader than implied by alternatives a and b; shall blocks of time be provided for writing -- as, for example, Heady. Baker - We must not want to do this very badly, since attempts to schedule and concentrate work (student and Staff) have not been accepted. Smith - Question relates to writing generally. One example is release of news releases and "partial-answer" publications in advance of main bulletin. Planning for bulletins and other publications should be included with project proposals. A possibility is to submit a calendar of major project steps, including publications, with project proposals. Sherman - Difficult with graduate students and other obligations. Smith - Time is not necessarily shortened by planning. Cravens - We're inclined to use other demands as, in part, an excuse. Heady got time to write after he started publishing; not before. Smith - Writing is a perennial problem; progress has been made during the last year. Andrews - If we move to a statistical pool, space will be needed. Space is being vacated in the Stadium Dorms, and may be a possibility.

Question #9. Are we familiar enough with industries with which we should work to know their problems?

Ezzell - Extension, being sometimes closer, can supply researchers with current developments. Smith - Perhaps greater consultation with business and industry is indicated.

Question # 10. Professional improvement of staff members.

Williams - Seminars. Sitterley - Less T.V. Andrews - University does not recognize scholarly attainments; does not provide sabbaticals for professional improvement. Smith - We don't know the policy regarding professional improvement. How do we get information and action? Williams - Conference Committees may be a source and a means. Sherman - Station has gone as far (with eight sabbaticals) as they are now prepared to go. Nagi - Researchers should acquaint themselves with lacking and needed information or preparation prior to starting projects; then train themselves as part of project. Newberg and Sherman - Should be done in advance of project. Glen Mitchell - Formal

courses are available in the University. Staff could take advantage of these. Smith - Visiting professors could work and consult with us, and help in professional improvement. Applications are needed by March, preferably jointly with other departments. The Seminar committee is assigned this job. Oyler - Social Science Research Council offers possibilities.

Question #11. Visit to another department in another state?

Rogers - Agricultural Education does this annually. McCormick - Idea may have originated in plans for visit to intermediate meeting point with Kentucky. Smith - Individual visits to other departments might be exploited to better advantage. Swank - Possibly select outstanding departments; send delegates. Smith - Problem is "how to finance" on anything other than limited scale. Oyler - Could "What We Do" be distributed to other Departments? Tompkin and Smith - "What We Do" is designed for departmental and limited local (College and/or University) distribution.

Question #12. Departmental Experimental Farm.

Smith - Getting farm would require much spade work. Williams - Guide physical scientists on existing experimental units. Henning - Idea is good. Shaudys - Met, with Baker, at M.S.U. to attempt to accomplish Williams' objectives. Other departments are not greatly interested. The farm proposed in the question is designed as a departmental experimental unit. Baumer - Administration would probably be interested in such a proposal, if presented properly. John Mitchell - Proposed farm might be used as a training area for our graduates, via tenure arrangements with farm owners. Moore - Graduates have already been placed; tenure arrangements worked out, etc. Smith - Is this done elsewhere? Oyler - Done by industry (Baker - as demonstration units). Sitterley - We have been asked to take some managerial responsibility; Agricultural Engineering would cooperate. Iowa has tried this to some extent. Question now is "If we are offered the chance, should we take the job?"

Question #13. M. I. C. objectives: In opposition to objectives of other sections of department.

Swank - M.I.C. objectives are not to train consumers how to buy most cheaply, but rather to promote more orderly and efficient marketing. Baker - Is M.I.C. objective to help consumer or producer. Baumer, Sherman, et.al. - Objectives are the same. Rest of Marketing Staff - Disagreement on consumer-producer benefits.

Question #14. Teaching, research and extension in agricultural business management.

Sitterley - Should we teach students to manage non-farm firms? Smith - Is this a job to be done by Business Organization, or do we have a justifiable claim to the job? Wertz - Many rural boys and girls must leave the farm and are best adapted to the intermediate agribusiness area. Sitterley - Do we need a course in



addition to Farm Management - in which or out of which the majority of students do not farm? Smith - This is related to the question whether we get into the stress teaching, research, and extension work in agricultural business management. Sherman - Real question is whether we do it or whether we do the job in cooperation with Business Organization. Sitterley - Does Business Organization, in their teaching, really serve the needs of our students. Sherman - Both departments should teach the same principles. Smith - Do we need to move intensively into the short course and special conference - special course job? Should we apply to one of the foundations for the establishment, under our direction, of a farm business management institute? This is a future seminar possibility. Andrews and Swank - If we don't take the initiative, someone else will. Henning - We should re-examine our curriculum in agricultural business management; then move ahead.

Question #15. Charismatic and Utopian projections in program development.

Andrews - The term "Charismatic" is used in connection with the concept of "leadership." We, in universities, are not "reaching out," "trying wild ideas" or trying to take true leadership in creative, far-reaching, projection of guide lines. Barnes - Limit the "wild ideas" to research; don't include extension.

## REMARKS AND HIGHLIGHTS OF RESEARCH CONFERENCE

J. W. Sharp

I. Purpose of Conference - Discuss emerging problems that we are likely to face.

- A. Who do we work with?
- B. How do we improve ourselves?
- C. How can we increase our output?

II. General Theme - Looking Ahead Planning for the future.

In looking ahead we could not avoid a hurried glance over our shoulder to see where we have been. In the beginning we were critical of where we were.

- A. We were concerned about being behind in the field.
  - 1. What field? Educational or Industrial

III. Many topics of the seminar vanity were discussed, and it was decided that many needed more discussion.

- A. Much time was devoted to our overall objective.
  - 1. As a department
  - 2. As an institution
- B. Our obligation to society
  - 1. Education and building professional leadership.
  - 2. Workable solution to problems of agriculture and agricultural agencies.

IV. We should decide where we are going in our department program and how we accomplish our plan.

- A. Emphasis was placed on these alternative objectives of our personnel.
  - 1. Solve a problem in agriculture

2. Get a bulletin with your name on it.
  3. Please the trade or group we are working with as a way to
    - a. get funds
    - b. put pressure on research administrators
    - c. put pressure on research workers themselves
  4. Improve methodology and educate personnel
  5. Improve our own professional standing with others through our competitive professional results.
- B. How do we, as individuals, rank these and how do we change the order?
1. Suggestions for improvement
    - a. Read professional journals and bulletins.
    - b. Need more time for professional improvement.
  - C. Other considerations discussed
    1. Present planning seems to be too short ranged.
    2. We lack inter-professional communication.
- V. Common ideas and suggestions by all areas of department.
- A. Need for inter-disciplinary problem solving.
    1. department level
    2. college level
    3. university level
    4. inter-university with regard to department
  - B. Agriculture business research
    1. Let's give it the importance in the department as other areas have with regard to personnel and maximum operating efficiency.
  - C. Improve methodology
  - D. It was agreed that we are not competing with industrial research firms.

- E. Need research center or foundation to handle research grants to our department.
- F. We are still just talking vertical integration.
- G. There was some talk of agriculture adjustment.
- H. Problem of finding what processes occur and make them occur more efficiently.
- I. Improve graduate program, especially in statistics and math.
- J. Reduce fragmentation.

VI. Some points for consideration in the future.

- A. Work for a solution to a workable agricultural policy (long range).
- B. More precise tools of prediction
- C. Development of new markets
- D. Aid to legislative groups
- E. Highway transportation facilities
- F. Zoning and land planning
- G. Standards and measures of quality
- H. Possibilities of increased specialization (vertical integration) with special emphasis on arrangements in:
  - 1. Financing
  - 2. Marketing
  - 3. Purchasing supplies
  - 4. Labor
  - 5. Risk spreading
  - 6. Economies of scale in production
  - 7. Social and economic problems of individuals in rural and urban communities
- I. Molding and estimating of consumer preferences

## VII. Some loose ends decided

- A. Let administration decide about printing problems after some needling from us.
- B. Work toward more consolidated research.
- C. Some consideration was given to a research coordinator or research committee (no agreement reached).
- D. Definitely no review for the department by outside group.
- E. Rural Sociology would try for an outside review of work.
- F. Advisory committee was voted down.
- G. Department chairman to work on giving more free time to individuals for "professional output."
- H. Further consideration should be given to the development of a research farm for our department.

## VIII. When we really went into some of our proposed problems we found that we really aren't so bad off.

- A. Maybe we should look at ourselves in this manner every three or four years to re-evaluate our position.

WHAT I INTERPRET FROM THE CONFERENCE  
FOR DEPARTMENT POLICY

Mervin G. Smith

1. We need to design training programs for all extension personnel in nonfarm Agricultural Business.

2. Our whole editorial and printing policies at the Experiment Station needs improvement. We need to talk with the Administration to see if there are ways through budgeting to speed it up. A seminar with the new editor would be good.

3. Our policy should be to work toward fewer but larger projects and for shorter duration. This will need to be started by planning and budgeting.

4. We need to try to organize our time so it is fragmented less. It is more desirable to concentrate our time for each phase of our work, such as teaching one quarter and research the next. Time for writing should be planned.

5. We should make greater effort toward team and interdepartmental research. Defining areas of work and responsibilities of each participant in the beginning is necessary for success.

6. Some attempt should be made to get greater coordination of our research. This might be started with a departmental committee on research.

7. Further attempt should be made to budget and organize a statistical pool.

9. We need continued and stepped up professional improvement. Effort should be made to talk with Administration at O.S.U. about sabbatical leaves.

10. We should learn more about other Departments of Agricultural Economics and Rural Sociology.

11. We should study further the possibility of having a departmental experimental farm. This might be presented to us sometime.

12. We should explore the possibility of doing much more in Agricultural Business Management.

13. We need to exercise more leadership by getting and trying out new ideas for all phases of agriculture and rural people.

14. We need to get closer coordination of research and extension, especially in publication on research projects and timing of projects.